

ESTIMATED REVENUE EFFECTS OF  
 THE "TAX RELIEF, SIMPLIFICATION, AND FAIRNESS ACT OF 2003,"  
 SCHEDULED FOR CONSIDERATION BY THE HOUSE OF REPRESENTATIVES ON MARCH 19, 2003

Fiscal Years 2003 - 2013

[Millions of Dollars]

| Provision  | Effective       | 2003                                  | 2004       | 2005       | 2006       | 2007       | 2008       | 2009       | 2010       | 2011       | 2012       | 2013       | 2003-08    | 2003-13     |
|--|-----------------|---------------------------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|-------------|
| <b>Provisions to End Abusive Tax Practices</b>   |                 |                                       |            |            |            |            |            |            |            |            |            |            |            |             |
| 1. Modification of the tax treatment of citizenship relinquishment and residency termination .....         | [1]             | 3                                     | 16         | 18         | 21         | 24         | 28         | 32         | 37         | 43         | 49         | 56         | 110        | 328         |
| 2. Suspension of tax-exempt status of designated terrorist organizations .....                             | [2]             | ----- Negligible Revenue Effect ----- |            |            |            |            |            |            |            |            |            |            |            |             |
| <b>Total of Provisions to End Abusive Tax Practices .....</b>  |                 | <b>3</b>                              | <b>16</b>  | <b>18</b>  | <b>21</b>  | <b>24</b>  | <b>28</b>  | <b>32</b>  | <b>37</b>  | <b>43</b>  | <b>49</b>  | <b>56</b>  | <b>110</b> | <b>328</b>  |
| <b>Provisions to Provide Relief for Foreign Service and Astronauts</b>                                     |                 |                                       |            |            |            |            |            |            |            |            |            |            |            |             |
| 1. Exclusion of gain on sale of a principal residence by a member of the foreign service .....             | soea 5/6/97     | -1                                    | [3]        | [3]        | [3]        | [3]        | [3]        | [3]        | [3]        | [3]        | [3]        | [3]        | -1         | -1          |
| 2. Tax relief and assistance for families of astronauts who lose their lives on a space mission .....      | [4]             | [3]                                   | [3]        | [3]        | [3]        | [3]        | [3]        | [3]        | [3]        | [3]        | [3]        | [3]        | [3]        | [3]         |
| <b>Total of Provisions to Provide Relief for Foreign Service and Astronauts .....</b>                      |                 | <b>-1</b>                             | <b>[3]</b> | <b>-1</b>  | <b>-1</b>   |
| <b>Health Provisions</b>   |                 |                                       |            |            |            |            |            |            |            |            |            |            |            |             |
| 1. Add Hepatitis A to the list of taxable vaccines .....   | [5]             | 3                                     | 8          | 9          | 9          | 9          | 9          | 9          | 9          | 9          | 9          | 9          | 45         | 91          |
| 2. Expand human clinical trials expenses qualifying for the orphan drug tax credit (sunset 12/31/10) ..... | epoia DOE       | -6                                    | -15        | -16        | -16        | -17        | -18        | -19        | -22        | -10        | -1         | ---        | -88        | -140        |
| <b>Total of Health Provisions .....</b>  |                 | <b>-3</b>                             | <b>-7</b>  | <b>-7</b>  | <b>-7</b>  | <b>-8</b>  | <b>-9</b>  | <b>-10</b> | <b>-13</b> | <b>-1</b>  | <b>8</b>   | <b>9</b>   | <b>-43</b> | <b>-49</b>  |
| <b>Environmental Provision - pilot project for forest conservation activities .....</b>                    | <b>oia DOE</b>  | <b>14</b>                             | <b>12</b>  | <b>-18</b> | <b>-18</b> | <b>-13</b> | <b>-10</b> | <b>-8</b>  | <b>-5</b>  | <b>-4</b>  | <b>-4</b>  | <b>-4</b>  | <b>-34</b> | <b>-59</b>  |
| <b>Relief and Equity Provisions for Small Businesses</b>   |                 |                                       |            |            |            |            |            |            |            |            |            |            |            |             |
| 1. Simplification of excise taxes imposed on bows and arrows .....   | asbmpi 90da DOE | -1                                    | -1         | -1         | -1         | -1         | -1         | -1         | -1         | -1         | -1         | -1         | -4         | -8          |
| 2. Capital gain treatment under section 631(b) to apply to outright sales by landowners .....              | sota DOE        | ----- Negligible Revenue Effect ----- |            |            |            |            |            |            |            |            |            |            |            |             |
| 3. Repeal excise tax on fishing tackle boxes .....   | 30da DOE        | -1                                    | -3         | -3         | -3         | -3         | -3         | -3         | -3         | -3         | -3         | -3         | -17        | -34         |
| 4. Modify at-risk rules for publicly traded nonrecourse debt .....   | diia DOE        | -1                                    | -2         | -3         | -5         | -6         | -8         | -10        | -11        | -13        | -15        | -17        | -25        | -91         |
| <b>Total of Relief and Equity Provisions for Small Businesses .....</b>                                    |                 | <b>-3</b>                             | <b>-6</b>  | <b>-7</b>  | <b>-9</b>  | <b>-10</b> | <b>-12</b> | <b>-14</b> | <b>-15</b> | <b>-17</b> | <b>-19</b> | <b>-21</b> | <b>-46</b> | <b>-133</b> |

| Provision  | Effective     | 2003                                 | 2004      | 2005       | 2006       | 2007       | 2008       | 2009      | 2010       | 2011      | 2012      | 2013       | 2003-08    | 2003-13    |
|--|---------------|--------------------------------------|-----------|------------|------------|------------|------------|-----------|------------|-----------|-----------|------------|------------|------------|
| <b>Farmer Equity Provisions</b>  |               |                                      |           |            |            |            |            |           |            |           |           |            |            |            |
| 1. Special rules for livestock sold on account of weather-related conditions - Increase reinvestment period from 2 to 4 years for involuntary conversion of livestock due to result of drought, flood, or other weather-related conditions ..... | trda 12/31/02 | ---                                  | ---       | -18        | -7         | -4         | -3         | -3        | -3         | 4         | 6         | 2          | -32        | -27        |
| 2. Coordinate farmer income averaging and the alternative minimum tax .....  | tyba 12/31/02 | [3]                                  | -2        | -2         | -2         | -3         | -4         | -5        | -6         | -7        | -7        | -8         | -13        | -46        |
| 3. Payment of dividends on stock of cooperatives without reducing patronage dividends .....  | dmi tyba DOE  | [3]                                  | [3]       | [3]        | -1         | -1         | -1         | -1        | -2         | -2        | -3        | -4         | -3         | -14        |
| <b>Total of Farmer Equity Provisions .....</b>   |               | <b>[3]</b>                           | <b>-2</b> | <b>-20</b> | <b>-10</b> | <b>-8</b>  | <b>-8</b>  | <b>-9</b> | <b>-11</b> | <b>-5</b> | <b>-4</b> | <b>-10</b> | <b>-48</b> | <b>-87</b> |
| <b>No Impact on Social Security Trust Funds .....</b>  | <b>DOE</b>    | <b>----- No Revenue Effect -----</b> |           |            |            |            |            |           |            |           |           |            |            |            |
| <b>NET TOTAL .....</b>   |               | <b>10</b>                            | <b>13</b> | <b>-34</b> | <b>-23</b> | <b>-15</b> | <b>-11</b> | <b>-9</b> | <b>-7</b>  | <b>16</b> | <b>30</b> | <b>30</b>  | <b>-62</b> | <b>-1</b>  |

Joint Committee on Taxation

NOTE: Details may not add to totals due to rounding.

Legend for "Effective" column:

asbmpi = articles sold by the manufacturer, producer, or importer  
 diia = debt instruments issued after  
 dmi = distributions made in  
 DOE = date of enactment

epoia = expenditures paid or incurred after  
 fra = fuel removed after  
 soea = sales or exchanges after  
 sota = sales of timber after

trda = tax returns due after  
 tyba = taxable years beginning after  
 30da = 30 days after

- [1] Effective for individuals who relinquish citizenship or terminate long-term residency after February 27, 2003.
- [2] Effective for organizations that are designated or identified as a terrorist organization before, on, or after the date of enactment.
- [3] Loss of less than \$500,000.
- [4] Generally effective for qualified individuals whose lives are lost in the line of duty after December 31, 2002.
- [5] Effective for vaccines sold beginning on the first day of the first month beginning more than four weeks after the date of enactment.